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The gross harvest of grain was 7.6 billion puds in 1950, as it was in 1949, or 345 million puds more than the 1940 level. The gross harvest of potatoes in 1950 surpassed the prewar level by 21 percent. In 1950 the production of wheat increased 376 million puds, over 1940, and in 1951 it increased even more, as did the production of rye. The gross harvest of cotton increased 2.9 times during the first postwar Five-Year Plan; flax fiber, 2 times; sugar beets, 2.7 times. The 1951 gross harvest of cotton, wool, and sugar beets surpassed the 1950 level. Our country is now raising more cotton than India, Pakistan, and Egypt combined, and these countries are famous for their production of cotton. The prewar level has also been surpassed with regard to number of productive livestock and poultry. The tasks of raising the yield capacity of agricultural crops and the productivity of animal husbandry are being performed successfully.

In transportation, the volume of operations has increased over the prewar level. The average daily freight handling on railroads in 1950 rose 21 percent, over 1940, and in 1951, the freight turnover of railroad transport increased 12 percent more. In river transport the respective increases were 26 and 13 percent; in maritime transport, 65 and 8 percent; 1950 automobile transport increased 2.3 times over the 1940 level and in 1951 increased 20 percent over 1950.

The development of goods turnover, reflecting the mighty increase of socialist industry and agriculture, proceeded at exceptionally rapid rates. The increase in retail goods turnover (in fixed prices) over the preceding year was 17 percent in 1947; 20 percent in 1949; and 30 percent in 1950. In 1950 the volume of retail goods turnover (in fixed prices), in state and cooperative trade and in kolkhoz trade, greatly surpassed the 1940 level. In 1951, 15 percent more goods were sold to the population through state and cooperative trade (in fixed prices), than in 1950. Goods turnover also increased considerably in kolkhoz markets.

All these facts prove the continuous, rapid, and universal growth of socialist reproduction and the high rate of expanded reproduction of the social product in the USSR in the postwar period. This is best shown in the combined general index of socialist production and national consumption, the national income of the USSR. The social product and the national income of the USSR have increased in the postwar period, as in the prewar period at exceedingly high rates from year to year.

The first postwar Five-Year Plan for raising the national income was considerably exceeded. In conformity with this plan, the prewar 1940 level was to be increased 38 percent in 1950. In fact, however, the national income of the USSR in fixed prices had increased almost 2/3 (64 percent) over 1940. In 1951, the national income increased 12 percent more, and in fixed prices surpassed the 1940 level 84 percent, and the 1913 level more than 11 times.

Furthermore, in 1950, to satisfy their personal, material and cultural needs, the workers of the USSR received 74 percent of the national income. The remaining 26 percent remained at the disposal of the state, kolkhozes, and cooperative organizations for expanding socialist reproduction, and for other state-wide and social needs. This distribution of the national income (about 3/4 to 1/4) was the same in 1951. The uninterrupted increase in the production of joint social product under socialism provides for a continuous increase in the material and cultural level of the workers.

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An increase in socialist production inevitably leads to an increase in the income of the workers. In 1950, the total income of workers and employees and the income of peasants increased 62 percent over 1940 (in fixed prices), and in 1951 increased 10 percent over 1950. As a result of the increase of monetary and real wages of workers and employees, and an increase in the income of peasants both from the social economy of the kolkhozes and from the personal plots of the kolkhozes, the national welfare rose considerably.

An important role in increasing this welfare is played by the gains which the population derives from the steady lowering of retail prices; this reduction was made by the Soviet state after the abolition of the ration card system on the basis of increased production, an increase in the amount of commodities, and a lowering of the net cost of production.

The first phase of retail price reduction gave the population an annual gain of about 86 billion rubles. The second phase, begun in 1948 and completed on 1 March 1949, produced an additional gain over the course of a year of 71 billion rubles. The third, put into effect in March 1950, produced a gain over the course of a year of no less than 110 billion rubles. In 1950 alone, as a result of the retail price reduction on all mass consumption commodities put into effect on 1 March 1950, the real earnings of workers and employees increased 15 percent, and the expense to peasants of purchasing cheaper industrial commodities decreased 16 percent. A gain of tens of billions of rubles per year resulted from the fourth retail price reduction which was put into effect on 1 March 1951.

In the postwar period there has been a sharp increase in the number of measures and the amount of expenditures by the Soviet state for social security, social insurance, education, public health, etc. During the 6 postwar years, the state expended 643.4 billion rubles for social and cultural measures.

For instance, the income of the population was sizably increased in the form of state assistance and payments on social insurance to workers and employees; social security pensions; state issuance of free or specially priced passes to sanatoriums, rest homes, and children's institutions; assistance to mothers with many children and to single mothers; free medical aid; free training and technical education for workers subsidies to students; and a number of other payments and privileges. All workers and employees, the number of whom reached about 41 million persons by the end of 1951, receive annually, in addition to their earnings, a vacation of no less than 2 weeks, and workers in a number of trades receive longer vacations. In 1950, the total sum of all these payments and privileges received by the population at the expense of the government was more than 120 billion rubles, or more than 3 times the 1940 level. In 1951, this sum amounted to 125 billion rubles.

As a result of these increases in industrial and agricultural production and the increased income of Soviet workers, the level of national consumption has been generally raised in the postwar, as compared with the prewar period. The sale of goods at fixed prices in state and cooperative stores (excluding sales from local resources) increased in 1950 over 1940, as follows: meat and meat products 38 percent; fish products, 51 percent; animal fats, 59 percent; vegetable and other fats, 67 percent; sugar, 33 percent; confectionery, 34 percent; footwear, 39 percent; and fabrics (cotton, wool, silk, linen), 47 percent.

Correspondingly, in 1951, as compared with 1950, there were the following increases in sale of goods, at fixed prices, in the state and cooperative trade network: meat, 32 percent; fish products, 14 percent; animal fats, 10 percent; vegetable fats, 40 percent; milk and milk products, 35 percent; eggs, 20 percent; sugar, 29 percent; fruit, 33 percent; leather footwear, 11 percent; cotton fabrics, 18 percent; and silk fabrics, 26 percent.

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Especially widespread is the purchase of cultural commodities such as printed material, musical instruments, radio receivers, photographic equipment, etc. This is an indication of the rise in the material welfare of the workers and in the cultural and technical level of the population.

In addition, household items, electrical appliances, and sanitation and hygiene articles are entering everyday use very quickly. In 1950, 3.3 times more clocks were sold than in 1940; almost 3 times more sewing machines; 6 times more radio receivers; 2.9 times more bicycles; and 16 times more motorcycles. During 1951 alone, the sale of bicycles increased 86 percent, and the sale of such commodities as home refrigerators, washing machines, and vacuum cleaners increased several times.

A characteristic fact is the relatively more rapid increase in the turnover of rural goods and the approaching similarity of industrial commodities in urban and rural trade, which shows the ever greater reduction in differences between city and country with regard to the level and structure of personal consumption. In recent years the structure of consumption has improved considerably, and the proportion of higher-grade commodities and of more costly foodstuffs has increased.

The variety of commodities is constantly being expanded and their quality improved. The share of meat, milk products, fats, sugar, and confectionery is rising, as against a reduction in the share of rye bread, potatoes, etc. After the retail price reduction on 1 March 1950 (including prices for bread), the consumption of bread as a whole was almost unchanged, although the purchase of wheat bread rose to offset a reduction in the purchase of rye bread. But, most important, a considerable part of the savings derived from the lowering in prices of bread was used to obtain an additional amount of meat, fats, milk products, confectionery, a number of industrial commodities, etc.

The acquisition of furniture increased sharply; this is evidence of the rising welfare of the population, in whose budget the share of expenses for consumption of commodities of long-term use and for improving the personal property of the citizens is ever increasing. The purchase of furniture in the state and cooperative trade network (in fixed prices) increased 38 percent in 1950 over the preceding year, and 50 percent in 1951. Further evidence of this tendency is the increase in the share of nonfoodstuffs as compared with foodstuffs commodities in the over-all sum of retail turnover (with a rapid absolute rise in sale of foodstuff commodities).

In medical and sanitary care in the postwar years there was a further improvement. A network of public health establishments, hospitals, and sanatoriums was established and expanded. The number of hospital beds in city and rural districts rose 25 percent in 1950, as compared with 1940. The number of doctors in the country increased 75 percent in 1950, as compared with 1940, and in 1951, 6 percent more. In 1951, there took place a further development of the network of medical establishments, lying-in hospitals, sanatoriums, and rest homes. During the summer of 1951, more than 5 million children and adolescents traveled to resorts having nurseries, kindergartens, and children's homes, and spent the entire summer period there.

The production of medicines, medical instruments, and equipment rose 36 percent in 1951. As a result of the rise in the welfare of the Soviet people and the success of public health, the mortality rate in the USSR was halved as compared with 1940, and the infant mortality rate was cut even lower. The annual net increase in population in the USSR over the course of several years is already exceeding the increase in population in 1940 and now is more than 3 million.

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The cultural level of the population has risen exceptionally in the postwar period, mostly as a result of the state's increased measures and expenditures for education and the development of culture. In 1951, the number of trainees in all fields in the USSR comprised 57 million persons.

The network of cultural and educational institutions has been reestablished and now exceeds the prewar scale. In 1950, there were 15 percent more clubs and public libraries in the country than in 1940. In 1951, there were more than 350,000 libraries of all types under the jurisdiction of state and social organizations, with more than 700 million books. Printing of books increased 84 percent in 1950 over 1940. The number of movie projectors has risen sharply, and the plan for constructing radio broadcasting stations during the first postwar Five-Year Plan was considerably exceeded.

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This over-all systematic increase in national consumption and welfare would have been impossible without corresponding high rates of socialist accumulation. In the USSR, which does not know unemployment, new workers are mobilized for the national economy every year. Both the level of consumption per capita of the population, and the number of the population are increasing rapidly. This means that consumption capital which goes to satisfy the growing needs of the population must correspondingly increase from year to year.

The steady increase in the mass of products directed towards personal consumption demands from year to year a constant increase of the national wealth in the form of fixed and turnover production capital, nonproduction capital, a mass of manufactured products, and stocks of finished articles. Accumulation, as we know, embraces not only producers' goods, but consumers' goods as well, which are used to expand production (consumption for new production workers, etc.) Accumulation means building up of working capital, an increase in the mass of commodities which go to the population. Previously, mention was made of goods turnover. This yearly increase is effected at the expense of accumulation. Accumulation means an increase in nonproduction capital (housing resources, the network of public health institutions, institutions for education, culture, communal economy, etc.). Mention was made previously of increasing this capital as a necessary condition for the steady raising of the material and cultural level of the population.

A brilliant indication of the increase of nonproduction capital in the postwar period is the increase in housing resources in the USSR. During the period 1946 - 1951, inclusive, the state and the population of cities and of workers settlements, aided by state credit, established and built homes with a total area of more than 127 million square meters. Moreover, in rural localities, almost 3,100,000 homes were built. During 1951 alone, in cities and workers settlements, homes were built with a total area of 27 million square meters, or 3/4 of what was aimed at by the Third Five-Year Plan for its entire period.

Of decisive and critical significance for the development of the whole national economy and for the increase of production and consumption is that part of the national wealth made up of production capital, and primarily fixed and turnover production capital, which is made up of finished articles of heavy industry -- machine-building, metallurgy, fuel, power, chemical, construction-materials, and other industries. Precisely upon the increase of this production capital depends the uninterrupted increase in production of industry

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agriculture and other branches, the production of producers' and consumers' goods, and consequently, in the final analysis the increase of all nonproduction capital and circulating capital.

High rates of socialist accumulation in the postwar period have guaranteed a considerable increase in fixed capital in the national economy of the USSR. This has been possible only by means of a tremendous development in capital construction, a development unheard of before. The total capital investments in the national economy of the USSR increased in the prewar years as follows: First Five-Year Plan, 51 billion rubles; Second Five-Year Plan, 115 billion; and Third Five-Year Plan (1938 - 1941), including noncentralized investments, 130 billion. According to the First Postwar Five-Year Plan, a higher total of capital investments was undertaken than in all the preceding Five-Year Plans. This plan was exceeded 22 percent.

The scope of capital construction in the USSR, which is increasing from year to year, has far outstripped the prewar level. The volume of state capital investments in 1951 rose more than  $2\frac{1}{2}$  times as compared with 1940. On this basis, production capital and primarily fixed production capital in industry are increasing rapidly. During the years 1946 to 1950, more than 6,000 industrial enterprises, excluding small state, cooperative, and kolkhos enterprises, were restored, built, and put into operation.

Fixed production capital of industry in the USSR in 1950 increased 58 percent over 1940. In 1951, it increased approximately 12 percent over 1950. This means that socialist industry has at its disposal at present  $\frac{3}{4}$  more fixed production capital than in 1940.

A fact of tremendous economic importance is that the machine-tool pool of Soviet industry more than doubled in 1950, as compared with 1940, as a result of supplementing it with new, more highly productive machine tools. This attests to the exceedingly high rates of expanded reproduction of the tools of labor in the socialist economy.

Socialist reproduction in the postwar period has guaranteed not only restoration of ruined enterprises in regions which had suffered, but also a considerable expanding of their production. Mines of the Donbass and the Moscow Basin, metallurgical giants of the South, machine-building plants, petroleum fields, electric power stations, etc., have been reestablished on a new, much more nearly perfect technical basis and have started to yield more metal, coal, electric power etc., than before the war. The Donbass again has become the largest and most mechanized coal basin in the country. Many new first-quality enterprises have been built in regions which had suffered from the occupation.

At the same time that a considerable increase in production over the prewar level was taking place in regions which had suffered from the war, a still greater increase in production was taking place in other regions, especially the east. The relative participation of eastern regions in the total production of the country has increased. This shows the essential changes which took place in the process of reproduction relative to territory. The increase in the relative participation of the eastern regions means further successes in the distribution of industry, in linking production and the rich natural resources of the eastern regions more closely, in industry's closer approach to the sources of raw material, fuel, power, and in the achievement of greater savings to the national economy in transport of fuel and raw materials.

This increase in the relative participation of the eastern regions, as compared with the prewar period, was the result of a rapid expansion in production there both during and after the war. In the postwar years, further intensive development of metallurgy has been going on in these regions. The production of

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ferrous metals has been organized in Central Asia and in the Transcaucasus. The relative participation of the Urals and Siberia in the production of pig iron, steel and rolled metal has increased considerably. More than twice as much coal was mined in the east (the Urals, Kuzbass, the Karaganda basin, etc.) in 1950 than in the prewar period. A new coal base of the country, the Pechora basin, has been greatly expanded.

New petroleum regions in the east increased considerably in importance. Further success was achieved in developing a petroleum base in the country between the Urals and the Volga ("The Second Baku"). As a result of successful geological prospecting operations, considerable industrial reserves of petroleum were discovered and tapped. For example, new large-scale petroleum fields and petroleum plants were created in Bashkir ASSR; extraction and refining of petroleum is developing rapidly in Kuybyshev Oblast; new large deposits of petroleum have been found in Tatar ASSR; and the petroleum industry is developing at rapid rates in Turkmen, Uzbek, and Kazakh SSRs. The relative participation of the eastern regions in the total extraction of petroleum increased from 12 percent in 1940 to 44 percent in 1950.

An exceedingly important place in capital construction is occupied by the great Stalin construction projects -- the hydroelectric installations on the Volga, Don, Dnepr, and Amu-Dar'ya, which in their size, technology, value, and rates of operation are unequalled anywhere in the world. The planned assignments established for 1951 on all these construction projects have been successfully completed. In the current year the first of these installations, the Volga-Don waterway, which unites all the seas of the European USSR into a single transport system, is being put into operation.

Expanded reproduction of fixed production capital in socialist agriculture is being effected at high rates. Heavy industry is sending to the rural districts from year to year a tremendous quantity of tractors, combines, various agricultural machines, trucks, electrical equipment, etc.

A tremendous and ever-growing role in the development of agriculture is allotted to hydroelectric installations and to irrigating and sprinkling systems. The process of fulfilling the great Stalin plan for the transformation of nature means an extremely intensive increase in fixed production capital in agriculture. Proof of this is, in particular, the successful execution of the plan of afforestation to combat erosion in the steppe and forest-steppe regions of the European USSR. In carrying out the Stalin plan for the transformation of nature, kolkhozes, sovkhozes, MTS, timber managements, and erosion stations planted and sowed forest plantings to combat erosion over an area of 1,350,000 hectares in the first postwar Five-Year Plan, and in 1951, over an area of 745,000 hectares.

In addition, during the last 3 years alone, in the steppe and forest-steppe regions of the European USSR more than 12,000 ponds and reservoirs have been built on kolkhozes and sovkhozes.

In the postwar period the quantity and capacity of producers' goods sent by the city to the country have increased considerably; the mass of consumers' commodities received by the country has grown. The volume of agricultural products received by the city has expanded, which, in turn, has assured the creation of a firm raw materials base for the light and food industries, and of the working production capital necessary for them.

During the 6 postwar years, heavy industry has given to agriculture 673,000 tractors (expressed in 15-horsepower units) and 146,000 grain combines (including 68,000 self-propelled). Moreover, during the last 3 years alone, more than 5.3 million soil cultivating, sowing, and harvesting machines and trailer implements and 205,000 trucks have been produced for agriculture.

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By 1949 agriculture had received 3-4 times more tractors, trucks, and agricultural machines than in 1940. This led to an accelerated growth of fixed production capital of socialist agriculture. Similarly, the process of rural electrification of kolkhozes, MTS, and sovkhozes proceeded at an intensified rate. By the end of 1950 the capacity of rural electric power stations surpassed the 1940 level 2.8 times. The amount of mineral fertilizers which agriculture received from industry also increased sharply.

Proof of the expanded reproduction of production capital of agriculture is the considerable increase in the number of livestock. The number of livestock grew considerably in kolkhozes and sovkhozes, as did the number of livestock privately owned by members of kolkhozes and by other workers. In 1951 alone, it increased 14 million head, and the number of poultry increased 60 million. The prewar level of all productive livestock and poultry was surpassed in all categories of establishments.

The number of livestock on kolkhozes increased by the following rates (in yearly percentages):

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>
Large horned cattle	23	21	10	12
Pigs	75	78	28	26
Sheep and goats	16	19	13	8
Horses	15	22	15	8

The number of poultry on kolkhozes doubled in 1949; in 1950, it increased 44 percent; in 1951, 1½ times.

The prewar level in number of productive livestock and poultry on kolkhozes was surpassed greatly by 1950: large horned cattle, 40 percent; sheep and goats, 63 percent; pigs, 49 percent; and poultry, 2 times. In 1951, this increase was still greater.

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A necessary condition for uninterrupted and rapid growth of the social product, national income, national consumption, and national wealth of the USSR was the regular and considerable increase in the productivity of public socialist labor in the entire national economy and the growing savings in means of production.

The first postwar Five-Year Plan aimed at an increase in labor productivity in industry amounting to 36 percent over 1940. This assignment was exceeded: in 1950, labor productivity in industry surpassed the prewar level 37 percent. Labor productivity in construction increased 23 percent in 1950 over with 1940. This index lags behind the Five-Year Plan, which had aimed at an increase of 40 percent.

The increase in labor productivity from year to year in socialist industry has taken place at the following rates (compared with the preceding year): 13 percent in 1947; 15 in 1948; 13 in 1949; and 12 in 1950. In 1951, there was a further 10-percent increase in labor productivity in industry. In 1951, labor productivity in industry surpassed the prewar level 1½ times. Just how important raising labor productivity is, is shown by the fact that industrial production in the USSR increases basically through increase in labor productivity. Almost 2/3 of the increase in industrial production in 1941 was derived from increased labor productivity.

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This rise in labor productivity in industry was effected by means of technical progress, raising the amount of technical equipment of labor, further mechanization, particularly in labor-consuming and heavy operations, electrification, automatization of production, inculcation of advanced technology and techniques; by means of raising the degree of skill of industrial workers and raising their cultural and technical level; by means of developing socialist competition of the masses, developing creative initiative of workers, engineers and technicians; and by means of improving the organization of production. Of tremendous significance in the raising of labor productivity and the saving of resources was the wide introduction of progressive norms in the postwar years and in the sharp intensification of their importance.

Evidence of this improvement in the utilization of means of production are the following facts: at plants of the Ministry of Ferrous Metallurgy, the 1950 utilization of the useful volume of blast furnaces increased 25 percent over 1940, and the yield of steel per square meter of open-hearth furnaces increased 33 percent. During 1951 alone, the productivity of coal combines used by the Ministry of Coal Industry increased 19 percent.

The increase in labor productivity, the introduction of progressive technical and economic norms for the utilization of production means, the strengthening of material savings; a more rational, economical utilization of raw materials fuel, other materials, electric power production area, equipment, machines and machine tools; acceleration in turnover of capital, strengthening of cost accounting and the struggle to cut down on administrative and management expenses have led to a considerable lowering of the net cost of production. The increase in production, the increase in labor productivity, and the lowering of net cost of production have in 1950 and on 1 January 1952 made it possible to lower wholesale prices on a number of producer goods and to lower freight rates.

Mention was made previously of the steady lowering of retail prices. This has considerably raised the buying power of the ruble. In 1950, an increase in the rate of exchange of the ruble relative to foreign currencies took place and the ruble went on the gold standard. The international significance of the Soviet ruble, the most firm and stable of all currencies in the world, was increased. Particular evidence of the intensification of the international significance of the Soviet ruble are the monetary reforms in Poland and Rumania, which compute the rate of exchange of their currencies on the basis of the ruble.

The objective set by the first postwar Five-Year Plan of lowering the net cost of industrial production 17 percent, as compared with the 1945 level, has been successfully completed. Incompletely fulfilled is the assignment in the Five-Year Plan concerning the lowering of the net cost of construction projects 12 percent, as compared with the 1945 level. In this connection the state took steps in 1950 to reduce the cost of construction. Evidence of the continuous reduction in production costs in the USSR is the following data on the lowering of net cost of comparable commodity production of industry in fixed prices (compared with the preceding year): 2 percent in 1947; 8.6 in 1948; 7.3 in 1949; and 6 in 1950.

In 1950, there was a further lowering in the net cost of industrial production. The planned assignment with regard to this index was overfulfilled. The saving from the lowering of the net cost of industrial production in 1951 was more than 26 billion rubles, not counting the savings from lowering of wholesale prices. The movement of the net cost of production in the socialist economy expresses the changes in socially necessary expenditures of the socialist society for the production of a unit of a particular finished good. Therefore, the lowering of net cost of a unit of production means, in the final

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analysis, a reduction in social costs and in expenditures of living and social labor in producing it. The regime of economy is the Soviet method of doing business, a method which results from the nature of the socialist system.

One of the most important sources of an undeviatingly increasing saving in capital is the very wide scope of production activity and creative initiative of the masses of the people. In industry alone, 450,000 inventions and important innovative proposals were put into effect in 1949, and in 1950, more than 600,000. In 1951, widespread use was made of about 700,000 inventions and innovative proposals of workers and engineering and technical workers, which were aimed at the improvement and perfection of production processes.

In addition, a tremendous production return is derived from the development of collective Stakhanovite operations, and of various forms of socialist competition: for expanding production and the excellent quality of production for the saving of capital (including rigorous saving of raw and other materials, rigorous lowering of net cost in all operations), for the acceleration of turnover of capital, for accumulations over and above the plan, etc. The mass movement begun in 1948 for accumulations over and above the plan rendered a saving which in 1948 alone came to more than 6 billion rubles and which made it possible by the end of 1949 to turn out 20 billion rubles more of additional production. The mass movement for an increase in saving of money was especially intensified by the widespread use of intraplant cost accounting.

Of essential importance in increasing socialist production, technical progress, raising the productivity of social labor, and increasing savings in resources are the outstanding successes achieved in the postwar years in the development of scientific research operations; the strengthening of the link between science and practice; the broad expansion of the creative concord of scientific institutions and scientists with production workers.

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In the postwar period, industrial production of producers' goods has taken place more rapidly than the production of consumers' goods. The vital heavy industry and railroad transport development objectives have been successfully fulfilled. Assignments of the first postwar Five-Year Plan for ferrous metallurgy, coal industry, petroleum industry, output of electric power, machine building, chemical industry, etc., have been exceeded.

Machine-building production increased 2.3 times in 1950 as compared with 1940, at the same time that the production of industry as a whole increased 1.7 times. Thus, the high proportion of Soviet machine building in the over-all production of industry of the USSR rose still more. In 1951, the growth in machine-building production was 21 percent (which exceeds the growth of production of industry as a whole, amounting to 16 percent). In 1951, machine-building production exceeded the prewar level 2.8 times. As compared with the 1913 level in prerevolutionary Russia, Soviet machine-building production has risen at least 120 times. The proportion of the machine-building industry in the total Soviet industry greatly surpasses that in capitalist countries, including the US. This is connected with the extremely high rates of accumulation and technical progress in the USSR.

In individual types of machine building, the 1950 volume of production exceeded that of 1940 by 4.8 times in metallurgical equipment, 3 times in electrical equipment, 3 times in petroleum apparatus, 3.8 times in tractors, and 3.6 times in combines.

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The development of operations relating to the great construction projects of Communism and the rapid development of electrification of the country have demanded a tremendous increase in the output of electrical equipment. During 1951 alone, the production of large hydroturbines rose more than 2.4 times; turbogenerators, 2.1 times; and production of hydrogenerators almost doubled. The production of petroleum apparatus almost doubled in one year.

The output of electric power in 1950 surpassed the 1940 level 87 percent. Electric power facilities for the worker in large-scale USSR industry (that is, the number of kilowatt-hours expended per hour of workers's time) rose 1½ times in 1950, as compared with 1940. In 1951, a further 14-percent increase in the production of electric power took place. This means that in 1951, 2.1 times more electric power was produced than in 1940, and as compared with prerevolutionary 1913, production rose more than 50 times. The increase alone in production of electric power in 1951 exceeds by 7 times the entire production of electric power in prerevolutionary Russia. The over-all capacity of electric power stations and new aggregates put into operation in 1951 amounts to almost 3 million kilowatts. This is approximately equal to the capacity of five Dnepr hydroelectric power stations.

The following facts attest to the exceptionally high rates of technical progress in the USSR during the postwar period. During the postwar years, branches of machine building have radically overhauled their type production. In 1950 alone, domestic industry created more than 400 new types and models of high-speed production machines and mechanisms. In 1951, about 500 very important new types and models of machines and mechanisms guaranteeing further technical progress of the national economy were developed. During the years of the postwar Five-Year Plan, 250 new types of general-purpose metal-cutting machine tools, more than 1,000 special and combination machine tools, etc., went into production. The number of machine tools converted to high-speed cutting was doubled in 1950 as compared with 1949. The production of agricultural machines was completely overhauled. During the years of the first postwar Five-Year Plan, more than 150 new, highly productive agricultural machines were accepted for mass production.

Expanded reproduction of fixed production capital in the postwar period means a sharp rise in technical level as compared with the prewar period. On the basis of the adoption of advanced technology and techniques, there was a further development of mechanization and electrification of production and a considerable intensification of production processes.

In the course of this expanded socialist reproduction of fixed production capital in the USSR, there is being effected a gradual preparing of the material and technical basis of Communism and, consequently, the creation of the prerequisites for an abundance of products. On the basis of the intensive development of heavy industry, the task of the further mechanization of labor-consuming and heavy operations is being successfully resolved. The USSR is approaching closer to the complete mechanization of labor in a number of branches of industry. Capitalism cannot achieve universal, complete mechanization of production, but the development of the socialist method of production makes necessary and possible the gradual transition to complete mechanization of production. Proceeding along this line are industry, construction, transport, and the agriculture of the USSR. Complete mechanization, which embraces all processes of labor and which forces hand labor out of production, raises to a tremendous degree the productivity of labor.

Operations have been begun for the transition of coal mines to complete mechanization. At mines where the basic processes have been mechanized, the productivity of labor is 1½ to 2 times higher than in the remaining mines. Considerable success has been achieved in the postwar period in the USSR in developing automatization of production, which is a higher step of mechanization. The output of automatic and semiautomatic machine tools has increased

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sharply. Twenty-three types of automatic and semiautomatic machine tools were created during the postwar Five-Year Plan. Dozens of automatic transfer machine lines and an automatic plant were created. Automatization of production is becoming more and more widespread in machine building, metallurgy, electric power stations, coal, and a number of other industries.

In ferrous metallurgy large-scale mechanization of labor-consuming and heavy operations and the automatization of production processes have been effected. In 1951, in enterprises of the Ministry of Ferrous Metallurgy, 87 percent of the entire production of steel was smelted in open-hearth furnaces which had been equipped with automatic control of the heating process. The use of oxygen has been adopted in steel-smelting production.

In the coal industry in 1950, the mechanization of the processes of cutting, breaking, and delivering coal was completed, as well as the mechanization of underground transport and shipment of coal in railroad cars. The mechanization of coal loading is becoming more widely used. During 1950 alone, the volume of mechanized operations increased  $2\frac{1}{2}$  times for the entire process. In 1951, success was achieved in raising the level of mechanization of these operations when new types of coal combines began to be widely used for working thin and steeply dipping strata. Automatic and remote control of machines and underground mechanisms is being expanded. In 1951, more than 1,500 coal combines and cutting machines and 1,350 conveyer lines were converted to remote control.

The process of effecting complete automatization of hydroelectric power stations and automatization of thermal processes in boiler installations at electric power stations received further development. In 1951, more than 9/10 of the regional hydroelectric power stations already had automatic control of installations.

The level of mechanization has increased greatly in the lumber industry although here there still are tremendous unused reserves for better utilization of machinery. In the Ministry of Timber Industry the volume of mechanized operations increased in 1950, as compared with 1949; more than 1.5 times in finishing of lumber; and 2.3 times in shipping; in 1951, as compared with 1950, the increase was 1.7 times in finishing and shipping.

The realization of the Stalin plan for the transformation of nature and the great construction projects of Communism has a paramount place in the creation of the material and technical basis for Communism and the abundance of products. The great construction projects will make it possible to irrigate more than 28 million hectares of arid desert and semidesert lands, and greatly speed up the processes of electrification and mechanization of agriculture.

During recent years the level of mechanization of agricultural operations has been sharply increased. The time is approaching when the complete mechanization of labor in socialist agriculture will be achieved.

In 1951, the MTS performed more than 2/3 of all field operations for kolkhozes. Almost all plowing and 3/4 of the sowing on kolkhozes have been mechanized. Combines harvested more than 60 percent of the entire acreage of grain crops. In 1952, the level of mechanization of production on kolkhozes will reach 78 percent in spring sowing, 88 percent in winter sowing, 72 percent in grain harvesting, and 90 percent in digging of sugar beets. The basic agricultural operations are already almost completely mechanized on sovkhozes.

The development and the perfection of socialist heavy industry and its core, machine building, and the resultant saturation of the entire national economy with advanced technology by means of a corresponding growth of fixed production capital have a decisive significance in the transition from socialism to Communism. Herein lies the key to the creation of the material and

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technical basis of Communism, to the most important source of raising the productivity of labor, to the saving of manual and machine labor in the entire national economy, to the growth of production, accumulation and national consumption and to the creation of an abundance of products. Herein lies the necessary condition for the strengthening of both forms of socialist property with an increase in the leading role of state national property in relation to cooperative and kolkhoz property, with a removal of the class borders between workers and peasants. Herein lies the material basis for raising the cultural and technical level of the workers in physical labor to the level of engineer and technical workers. The development of heavy industry in the USSR has decisive significance in guaranteeing the independence and defensive capacity of our Motherland; it is a mighty factor in strengthening the economic might of the entire camp of peace, democracy, and socialism.

Furthermore, expanded socialist reproduction of manpower in the USSR in the postwar period has resulted in an increased number of workers and employees, in an increase of skilled cadres of the working class and kolkhoz peasantry, and in an increase of cadres of Soviet intelligentsia and specialists for all branches of the national economy. Appropriate state systems of selecting manpower, of training and placement of personnel, and of wages were directed towards this end.

The constant increase in number of workers and employees in the USSR results from the uninterrupted expansion of the socialist economy, which does not know crises or unemployment; it also results from raising the welfare of the people and from the socialist law of population, which establishes the conditions for a rapid increase in population.

In the postwar period in the USSR the proportion of workers and employees in the population has increased. This is the result of several factors: the increase in the proportion of industry in the national economy, the rapid rates of technical progress, the gigantic scope of cultural construction, and the rise in the cultural and technical level of the population. All this has caused a growing need for specialist personnel.

The number of workers and employees in the national economy of the USSR increased during the postwar years by exceptionally high rates: during the last 6 years the number increased by 9.3 million persons. In the make-up of the working class of the USSR there has been a sharp increase in the proportion of skilled personnel.

Expanded socialist reproduction of skilled industrial personnel has been effected during the postwar years primarily by means of training new skilled workers through a system of training in state labor reserves, apprenticeship, and course training, and raising the degree of skill of workers on the job.

During the 6 postwar years in the state labor reserve system, in trade and railroad schools, and in plant and factory schools, millions of young skilled workers were trained and sent to work in industry, construction, and transport. During 3 years alone (1946 - 1948), about 24 million workers were trained on the job as new skilled personnel or had their degree of skill raised. The total was 27 million persons.

The facts cited show that in essence the entire working class of the USSR is undergoing an unprecedented rise in the cultural and technical level, that the proportion of unskilled workers in it is becoming greatly reduced, while the proportion of skilled labor is rising rapidly and the movement of skilled personnel upward to higher and higher cultural and technical levels is taking place uninterruptedly.

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The material and technical basis for this process is primarily the rapid growth of mechanization of production in the USSR in the postwar period, the adoption of advanced techniques and technology, automatization and electrification, the introduction of chemistry into production processes, and the development of new industrial branches.

The above-noted improvements have occurred in the entire national economy, in agriculture as well as in industry. This is bound up with the mechanization and electrification of agricultural labor, the inculcation in agricultural production of Michurin agrobiological, the grass-crop rotation system in agriculture, scientific methods of developing cattle-breeding, and the expansion of construction. Cadres are increasing rapidly in rural districts -- tractor drivers, combine drivers, machinists, builders, fitters, skilled husbandry workers, cattle-breeders, etc. More than 2½ million kolkhoz workers are taking a 3-year study course in agrozootechnical subjects.

By means of expanded reproduction of skilled personnel in the postwar period, there is being effected, step by step, a steady rise in the cultural and technical level of the workers, which, in turn is effective in the development of socialist production.

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One indication of the expanded reproduction of socialist production relations in the postwar period is the increase in socialist production capital. A vital condition of expanded reproduction of socialist production relations in rural districts is a development of the agricultural artel, which will guarantee it a decisive and more predominant role relative to the private farm plots of the kolkhoz worker, which play an additional, subordinate role in the socialized economy of the kolkhozes. A system of party and governmental measures effected in the postwar period was aimed at the liquidation of violations of agricultural artel regulations, the squandering of kolkhoz lands and their capital, the inflated number of personal farms for kolkhoz workers, violations of labor discipline, etc. As a result of these measures, a further organizational and economic strengthening of the kolkhozes, an improvement in the organization of labor, a systematization of wages, and an increase in discipline and productivity of labor were achieved. The role of the collectivized economy of kolkhozes as a basic source of income and as a basis for the increase of the welfare of the kolkhoz workers has been increased greatly. Of great importance in the development of the kolkhoz collective economy were the strengthening of the permanent production brigade as the basic organizational form for artel labor and the consolidation of small kolkhozes. An extremely great role in the steady rise of kolkhoz production is played by effecting the Stalin plan for the transformation of nature.

During the postwar years there has taken place a further strengthening and development of the collectivized economy of kolkhozes; this is shown by the great increase in indivisible kolkhoz capital. This capital increased 1.6 times in 1950, as compared with 1940. Mention has already been made of the considerable increase in collectivized cattle-breeding on kolkhozes, and the considerable expansion in such an important element of kolkhoz production capital as the number of head of cattle. As a result of this, collectivized kolkhoz cattle-breeding, together with sovkhoses has at present become predominant. One must keep in mind that in the realm of cattle-breeding, as distinct from husbandry, the collectivized kolkhoz economy previously lagged behind in relative participation while private farms had relatively high participation. This situation had to be changed in the interests of further strengthening the role and significance of the collectivized economy of the kolkhozes.

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Expanded reproduction of socialist production relations in the USSR during the postwar period is also evident in the fact that the individual farms of peasant workers of the Lithuanian, Latvian, Estonian, and Moldavian SSRs and the western oblasts of the Ukrainian and Belorussian SSRs have been united into kol-khozes. At the beginning of the first postwar Five-Year Plan individual farms were still predominant in the rural districts of these republics and oblasts. However, by the end of that Five-Year Plan, complete collectivization of peasant farms was generally completed, thus taking the path of expanded socialist re-production. The peasant farms of these republics and oblasts were given a great deal of production aid by the Soviet government in strengthening agricultural cooperative societies and organizing MTS; credits were granted, a large number of machines, tractors, and a large quantity of mineral fertilizers were brought in, etc. In these republics and oblasts, the exploiting classes were liquidated in all spheres of the national economy; socialist industry, cooperative societies, and Soviet trade received wide development. Thus, in the postwar years socialist production relations in the USSR have expanded afar, encompassing new and vast territory.

Moreover, in the postwar years there has taken place a further intensification of the leading role of state public property with regard to kolkhoz and co-operative society property; this is in conformity with expanded reproduction of socialist production relations and with the process of the gradual transition from socialism to Communism. The steady increase in the leading role of the Soviet state in the development of the kolkhoz economy is inseparably linked with the greater and greater strengthening of the agricultural artel, the kol-khoz collectivized economy, intrakolkhoz democracy, and the growing activity of the broad masses of the peasantry.

The material basis for raising relative participation and intensifying the leading role of state property, with a steady rise in collectivized kol-khoz economy, is the rapid growth of heavy industry and an intensive increase in the significance of industrial technology in kolkhoz production. This is shown in the corresponding growth of fixed production capital of the MTS, the construction of state hydroelectric and meliorative installations, state electric power stations serving agriculture, the creation of state shelter belts, etc. The rapid growth of industrial technology and state capital investments in agriculture is a large factor in raising kolkhoz production.

This has a clearly telling effect upon the new, tremendous scope of MTS operations during the postwar period. During that period the role of the MTS in kolkhoz production has increased greatly. The capacity of the tractor pools in MTS at present has increased 1½ times as compared with 1940. With a total increase in the number of MTS to 8,680 (1,600 more than in 1940), there has been a considerable broadening of the sphere of their activity, which embraces more aspects of kolkhoz production. Whereas before the war MTS performed up to 90 types of operations in kolkhozes, in 1950, this number increased to 170.

MTS are expanding their activity not only in husbandry, but also more and more in cattle-breeding. They are expanding their aid to kolkhozes in electrification, technical supervision of the operation of machines and power installations, in afforestation, irrigation, etc. New types of MTS have sprung up; MTS specialization is taking place.

To solve the task of mechanizing the production processes in cattle-breeding a network of machine-cattle-breeding and meadow-improvement stations has been developed. A network of erosion stations for mechanizing afforestation operations has been developed. A network of electric machine tractor stations which will have a great future in the development of the electrification of agriculture has been started.

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During the postwar years the role of MTS has greatly increased in rendering agricultural engineering aid to kolkhozes, in the matter of the kolkhozes' adoption and utilization of the grass-crop rotation system of agriculture. In 1950, the volume of agricultural operations performed by MTS was more than 40 percent above prewar 1940, while in 1951 it was almost 70 percent above 1940. The scope of production activity of MTS is being expanded from year to year. The increase in volume of agricultural operations performed by MTS in kolkhozes (as compared with the preceding year) is as follows: 29 percent in 1947, 23 in 1948, 21 in 1949, 15 in 1950, and 19 in 1951.

During the past 5 years, the volume of operations of MTS increased 2.6 times. Herein lies one of the most important factors in the great postwar rise in agriculture in the USSR. Expanded reproduction of socialist production relations which is based on a corresponding development of productive forces is at the same time a condition for the growth of the latter.

In the course of socialist expanded reproduction there is also being effected a process of gradual obliteration of the boundaries between the working class and the peasantry, the process of overcoming class differences and their vestiges. In carrying out socialist expanded reproduction, the Soviet people, led by the party of Lenin and Stalin, is gradually creating the prerequisites for solving the basic economic task of the USSR, the task of surpassing the major capitalist countries in the scope of industrial production per capita of population, and it is creating the prerequisites for building the material base of Communism.

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